

Potential List of Policies and Tools – May 15, 2014



The Comprehensive Housing Strategy is envisioned as both a strategic framework and implementation toolkit that will guide the city's planning and action initiatives over the coming years. To start the process of determining an appropriate set of tools for the CHS, staff has compiled a list of potential policies and tools for consideration and evaluation over the coming months. This list will become the Implementation Toolkit.

At the end of the list are three examples of tools and potential options for executing each tool. They are illustrative only and serve to demonstrate the next level of analysis of the potential "bang for your buck". An in-depth analysis of each tool will be performed over the summer as part of the Implementation Toolkit.

1. Expand Accessible Housing Options in the Community

Accessible housing units are those designed for people with limited mobility, including those in wheelchairs and those with hearing or vision impairments. This housing tool proposes to increase the number of accessible units in future development and redevelopment. It also proposes promoting universal design techniques that would make more units accessible.

2. Modify Accessory Dwelling Unit/Owner's Accessory Unit Requirements

An Accessory Dwelling Unit (ADU) is allowed in an owner occupied house in low-density residential zones which meet specific criteria. An Owner's Accessory Unit (OAU) is a separate and complete housing unit that can be located within the primary structure or elsewhere on the parcel. This tool considers ways to promote the use of ADU's, proposes simplifying and loosening the regulations for ADU's, and suggests new provisions so that ADU's would better serve an affordable housing strategy.

3. Establish an Affordable Housing Board

Currently, the city works with two volunteer committees appointed by the city manager, the Technical Review Group (TRG) and the CDAC (Community Development Advisory Committee). The TRG reviews funding for affordable housing projects and the CDAC reviews Community Development Block Grant (CDBG) funding for nonprofits' capital improvement activities. Additional review processes are in place for affordable off-site projects that meet a market-rate project's Inclusionary Housing requirements. This tool would create an Affordable Housing Board that would, in the words of one City Council member, "vet ideas, create a fiscal plan, and consider funding strategies."

4. Modify the Building Code, Land Use Regulations and the Planning Review Process

This tool would examine real or perceived barriers that development regulations, fees, and review processes create in the development of new housing. The construction of new housing and the rehabilitation of existing housing is governed by the standards in the city's Building Code and Land Use Regulations. The required steps for getting a new development approved and ready to build are called the Development Review Process. This tool suggests options for amending some

standards to reduce construction and development costs for specific housing projects, expediting their review process, and ensuring that those savings result in greater affordability.

5. Facilitate Ongoing Affordability of Affordable Homeowners' Association (HOA) Fees

Master-developed land, a major source of new affordable ownership opportunities in Boulder, typically comes with membership in an owners' association. Association dues cover maintenance, capital improvements and upgrades. There is a tension between the desire to ensure all aspects of an affordable home are truly affordable and the needs, desires and emergencies that can increase HOA fees or trigger special assessments. This tool explores options for supporting affordable homeowners without undermining HOAs.

6. Advocate for Housing Choice and Affordability

There is a precedent in Boulder of endorsing policy and action on the state level and beyond that align with our vision for the city. One example is the city signing the Kyoto Protocol thereby assuming a leadership role on the climate change front. This tool defines a process for the active pursuit of changes to state laws that impede housing choice and affordability in Boulder.

7. Encourage More Co-housing

Co-housing is a type of intentional community that provides individual dwelling units, both attached and detached, along with shared community facilities. Members of a co-housing community agree to participate in group activities and members are typically involved in the planning and design of the co-housing project. This tool proposes to amend the Land Use Regulations to allow for more flexible site planning and to identify low-density sites that might be rezoned to allow this use.

8. Encourage More Cooperative Housing

Cooperative housing is a form of rental or ownership housing where unrelated individuals live in one or more residential buildings owned by a membership-based corporation. The existing Cooperative Housing Ordinance is limited to ownership coops and has yet to produce any cooperative housing. Three affordable rental housing coops have been established on lots with nonconforming densities, which is an indirect approach to producing coop housing. This tool proposes changes to the Cooperative Housing Ordinance that would make it a functional avenue for developing cooperative housing, as well as modifications to parking and open space requirements and occupancy limits to allow more opportunities for rental cooperative housing in Boulder.

9. Provide Density Bonus for Higher Levels of Permanently Affordable Housing

Provide developers with an incentive to go above and beyond the current Inclusionary Housing requirements by providing a density bonus for additional affordable units. This tool has been used successfully in one of the city's mixed density residential zones.

10. Expand Down Payment Assistance Program and Reinstate Gap Financing

Boulder's Homeownership Program operates two Down Payment Assistance programs, the Solution Grant, which provides qualified buyers with down payment grants to assist with the purchase of permanently affordable homes in Boulder and the H2O Loan, which helps low to moderate income households to cover down payment and closing costs to purchase homes on the open market. This tool would explore expanding down-payment assistance.

Gap financing is the difference between what a household can afford and the market value of the property. In exchange, covenants are added to the deed of the home, making it permanently affordable to people in a moderate-income range. The city had a gap financing program that was discontinued due to the size of grants required and the desire to help more households. This tool would evaluate reestablishing a gap financing downpayment assistance program.

11. Explore Employer-Assisted Housing

There are various types of employer assistance that may be offered to employees. One type is provided directly to the individual employee in the form of mortgage subsidies, down payment assistance, relocation payments and the like. A second type of employer assistance would increase the supply of housing by requiring or encouraging employers to participate in the development of additional housing units through such actions as the provision of land, construction financing or purchase/lease guarantees, and down-payment assistance. This tool proposes a city role in educating employers about housing assistance options, researching possible sites for employer-assisted new housing and exploring a pilot project for housing city employees.

12. Increase Enforcement of Existing Regulations

Noncompliance with existing regulations is sometimes identified as a barrier to implementing other tools. For example, neighbors and community members often have concerns about housing options that increase density such as ADUs, cooperative housing, and even multifamily apartments, whereas density is typically a proxy for concerns about behavioral or parking issues. Additionally, some owners of homes in Boulder use these houses as vacation rentals by owner, effectively removing them from the housing stock though prohibitions exist in our code to address these behaviors. This tool highlights the importance of compliance with city code in ensuring that the existing housing stock and housing options that introduce density remain viable.

13. Reevaluate Shared Equity Loan Program

Shared equity loans or equity pool programs offer prospective homeowners downpayment assistance in exchange for a proportionate share of future equity. Use of this tool would increase the number of moderate-income or middle-income homebuyers who could afford to purchase a home in Boulder. The city replaced a shared equity loan program with the permanently affordable program in the 1990s. This tool looks at three variations for funding an equity pool. The discussion of downpayment assistance (Tool 10) is related to this tool.

14. Continue Purchase Program for Existing Housing Units

Public funds are used to purchase existing housing units by the city or a nonprofit organization for resale or for rental to low- or moderate-income persons. This tool suggests that following the

purchase, a deed restriction is placed on the unit in order to ensure long-term affordability. The unit is resold at a discounted price to a low-income or moderate-income buyer.

15. Explore Fee/Tax Waivers to Incentivize Housing that Meets Specific City Goals

This tool would explore property tax abatement programs, exemptions from development requirements (parking, open space, inclusionary housing), and PIF waivers for specific types of housing projects that achieve specific city goals.

16. Promote Green and Location Efficient Mortgages

Green mortgages, also called Energy-Efficient Mortgages, allow the homebuyer to roll the costs of making specific energy-saving improvements into the purchase price of a home. Location Efficient Mortgages® increase the borrowing ability of homebuyers in areas that are more walkable and provide good multimodal access on the assumption that households in these areas will have more income available that can be directed toward housing. These tools would give the homebuyer more options on the housing market through greater purchasing power and greater affordability due to lower energy and transportation costs.

17. Refine or Change the Inclusionary Housing Program

The city's Inclusionary Housing Ordinance (IH) requires that new residential development contribute at least 20% of the total units as permanently affordable housing. Options for meeting this requirement include providing the permanently affordable units on-site, dedicating off-site newly constructed or existing units as permanently affordable, dedicating vacant land for affordable unit development or making a cash contribution to the Affordable Housing Fund in lieu of providing affordable units (Cash-in-lieu). This tool would determine ways to promote the various goals of the Comprehensive Housing Strategy through the Inclusionary Housing Program.

18. Continue Land Banking

Land banking is the purchase of land by the city or a nonprofit housing corporation. The land is planned as a future site for affordable housing. The city has used this tool selectively in the past. Land contribution is one option available to a developer to fulfill the Inclusionary Housing requirement. This tool proposes expanding current land banking programs and identifying appropriate medium density and mixed use sites for land banking.

19. Encourage Community Land Trusts

A Community Land Trust (CLT) severs the value of the land and the improvements (i.e., the homes) and maintains ownership of the land in perpetuity. The land is leased to the residents who own homes on the leased land; their ownership is subject to restrictions on use and resale that keep the units permanently affordable. Thistle Communities currently operates a CLT program that provides permanently affordable homeownership opportunities in Boulder. This tool would encourage additional nonprofit partners to establish community land trusts.

20. Expand Linkage Fees for Non-Residential Development

This tool links job creation and the need for affordable housing. A linkage program requires that new non-residential development that generates jobs contribute housing based on a

community-wide analysis of the type and amount of jobs and wages expected to be generated by the new development. Housing units could be built on or off-site from the employment, or a fee could be paid in lieu of providing housing. In Boulder in the DT-5 zone the portion of new commercial development that results from a density bonus is subject to a linkage fee. This tool proposes exploring expanding the linkage program to other areas of the city.

21. Establish More Mixed Use in Commercial and Industrial Zones in Targeted Areas

Mixed use is the planned combination of residential uses with either commercial or industrial uses. Ideally, the various uses are carefully integrated and the project has a pedestrian orientation. This tool has been successfully used in Boulder Junction and in North Boulder and could be applied in other targeted areas of the city. An example would be Envision East Arapahoe.

22. Study Mobile Home Parks

Mobile home parks house hundreds of Boulder's lower-income residents. This tool suggests continuing efforts by the city or nonprofit housing corporations to purchase existing mobile home parks to either preserve them or to replace with additional permanently affordable units.

23. Revisit Occupancy Limits

The Land Use Regulations limit the number of unrelated persons who may occupy a dwelling unit. The current code allows up to three unrelated persons in low-density residential districts, and up to four in medium-density and high-density districts. If the code allowed more unrelated persons to occupy a dwelling unit, greater affordability may result and other tools in this toolkit (cohousing, cooperative housing, aging in place options for seniors) would be enabled. Use of this tool would raise or eliminate the limit (citywide or in specific areas).

24. Other Revenue Sources for Affordable Housing

This tool would broadly explore other sources of revenue for affordable housing such as occupation/head tax, hotel/accommodations tax, sales tax and property taxes.

25. Participate in Regional Solutions

The availability of affordable housing has become an increasing concern throughout the county and the region. A regional approach to meeting affordable housing needs may be required. With more and more workers commuting farther between home and work, increased traffic and the resulting greenhouse gas emissions and congestion have become a greater concern. This tool includes initiating a regional dialogue on affordable housing and the associated regional transportation solutions.

26. Expand the Home Rehabilitation Loan Program

Home rehabilitation loans are available to low income households in Boulder for the purpose of making energy efficiency, code and safety repairs. Use of this tool could include an increase in the amount of money available for loans, or a change to the program criteria to allow loans to moderate-income and high/moderate-income households wishing to modernize their homes.

27. Remove Barriers for Certain Housing Types

Certain housing types, not currently being built, may be desirable in Boulder. Ideas include Portland's courtyard housing, Austin's Alley Flats, and micro units. This tool could create greater housing choice and, in some cases, more affordable market options to meet the needs of a variety of people who live and work in Boulder. This tool suggests reviewing the desirability of various housing options and adapting the code and regulations to allow for varied housing types.

28. Explore Rent Control

A rent control system would regulate the levels of rent, or rent increases, permitted within the city. Rent control is now illegal in Colorado. This tool suggests the initiation of a community discussion about the benefits and down sides of rent control, and a council decision about whether amending the state statutes should be a part of the city's legislative agenda.

29. Increase Residential Density

Increasing residential densities in some parts of the city may be one way to increase the amount of affordable housing. This tool proposes looking within the city and Area II to selectively find good sites for increased residential density, such as in industrial zones, and considering changes to the land use and zoning. Another option would be to raise height limits selectively along transit corridors and commercial centers, which would require a charter amendment. Clustering of units in larger projects, coupled with city purchase of the resulting open space, is another option. The discussion of Accessory Dwelling Units, Inclusionary Housing, linkage programs, mixed use, and occupancy limits are related to this topic.

30. Revisit the Residential Growth Management System (RGMS)

Boulder's current RGMS was designed to manage the rate of residential growth to less than one percent annually and to encourage homebuilders to provide affordable housing. Anyone building a residential unit must first secure an allocation, and the number of allocations is limited each year. Exemptions have been added over the years for mixed use and affordable housing. Revising or eliminating this tool could be explored.

31. Explore Reverse Mortgages

This tool proposes the expansion of a program which provides equity to an older homeowner, in a lump sum or monthly payments, based on the equity value of their home. It is used in cases where older homeowners might wish to remain in their homes but need additional financial assistance. This type of program is usually provided through banks, and one option suggests a city marketing effort to promote the use of this tool.

32. Consider Land Use Designation and Zoning Changes

This tool considers land use designation and/or zoning changes in specific locations through an area planning process (e.g. Envision East Arapahoe) or a Boulder Valley Comprehensive Plan update to allow more residential development where it's currently limited or prohibited. Locations could include underutilized commercial areas, transit corridors, over-sized rights-of-way, industrial areas, and/or the Area III Planning Reserve. In addition, specific changes could be made to the zoning code, such as to allow duplexes on corner lots or reduce minimum lots sizes in single-family zones.

33. Expand Section 8 Voucher Options

For a variety of reasons including the gap between the area's Fair Market Rent (FMR) and what private landlords can command for rent in Boulder, Section 8 voucher holders, individuals and families, struggle to find rentals in Boulder. This tool would develop local incentives for landlords to participate in Section 8 voucher programs. Other tools include participating in HUD's Fair Market Rent (FMR) demonstration program, which allows higher FMRs based on zip codes and passing a city ordinance that makes Source of Income (including Section 8) a protected class (i.e., prevents landlords from refusing to accept Section 8 tenants).

34. Expand Senior Housing Options

As the baby boom generation becomes seniors, demand for housing for seniors at all income levels is growing in our community. This tool looks at ways to provide housing for seniors to "age in place," and offer seniors housing options with accessibility, affordability, low maintenance and needed support services.

35. Expand the Service Area

The Boulder Valley Comprehensive Plan identifies four areas: Area I is the current city limits; Area II land (the Service Area) is anticipated to be annexed and developed to urban densities; Area III is intended to preserve existing rural land uses and character; and the Area III/Planning Reserve is where the city and county maintain the option of expanded urban development beyond the 15-year timeframe. The Boulder Valley Comprehensive Plan provides a process to expand the Area II Service Area into the Area III/Planning Reserve. Use of this tool would open the discussion about the future development of the Planning Reserve to the end of providing additional land for affordable housing. An option also suggests land banking in the Planning Reserve as a way to reserve land for the future development of affordable housing.

36. Restrict Unit Size

This tool suggests exploring incentives (such as graduating development fees) and disincentives to building very large units (such as requiring a Transfer of Development Rights). This tool also suggests disincentives for major expansions of existing smaller homes. Smaller homes, particularly those that are deed restricted, may provide a source of relatively inexpensive housing.

37. Support Special Population Housing

Special populations include those people with disabilities, the chronically mentally ill, homeless individuals and families, and those at risk for homelessness. These groups are often included in the very-low income group. The strategy supports maintaining the current level of funding and building new partnerships between nonprofit housing developers, special population service providers, and private developers to provide more housing for them.

38. Improve Existing Student-Oriented Housing

This tool includes options to address the problem of poorly maintained rental properties, primarily located in the University Hill area. This has been an ongoing problem, though recently (2014) there has been investment in the University Hill area, including some new, higher end student housing

developments as well as boarding house conversions. There continue to be ongoing problems in the University Hill area including trash, weeds, parking and noise, although code enforcement efforts have been strengthened in recent years. The university, the city, and the neighborhoods are actively partnering to address these and other off-campus student housing issues. This tool requires ongoing vigilance on these issues as well as new approaches.

39. Encourage University-Related New Housing

This tool calls for increased housing for university students, faculty and staff, both on-campus and off-campus. On-campus housing would be constructed on university-owned sites. One example of the successful addition of off-campus housing was the city-initiated land use changes, rezoning and ongoing private redevelopment of the area on and near the 28th Street Frontage Road, which is producing hundreds of new units of housing, much of which serves students. Further opportunities could be identified to redevelop and or rezone appropriate sites near campus. These units would most likely be rental units in apartment complexes, but could also be condominiums or townhouses. This tool would be used to increase the supply of housing targeted to university students and university employees.

Analysis of Tools (Illustrative Only)

Three tools (Modify Accessory Dwelling Unit/Owner Accessory Unit Requirements, Encourage Cooperative Housing and Participate in Regional Solutions) are included in this section in order to demonstrate the next level of analysis of the potential “bang for your buck” of various options for expanding these tools. These three examples are illustrative only. An in-depth analysis of each tool will be performed over the summer as staff develops the Implementation Toolkit. The project goals will be a guiding factor in the evaluation as well.

Tool 3: Modify Accessory Dwelling Unit/Owner’s Accessory Unit Requirements

Description

An Accessory Dwelling Unit (ADU) is a housing unit allowed in an owner-occupied house in low-density residential zones which meet specific criteria. An Owner’s Accessory Unit (OAU) is a separate and complete housing unit located on the lot or parcel of the primary dwelling unit. (Both will, in this discussion, be generically referred to as “ADUs” or “accessory units” where no variation exists between them.) This tool considers ways to promote the use of ADUs, proposes simplifying and loosening the regulations for ADUs, and suggests new provisions so that ADUs would better serve an affordable housing strategy.

Background

There are a number of constraints that limit the potential of ADUs as a housing option in Boulder.

Subsection 9-6-3(a) of the land use code contains the following limitations on all types of accessory dwelling units:

- At least one owner of the property must reside in the primary or accessory unit;
- No more than two additional persons may occupy the additional dwelling unit and no rooms in the owner’s unit may be rented;
- Adjacent property owners are notified of the application by mail and a notice is posted on site;
- Applicant must obtain a current rental license within 180 days of approval;
- The permit is revoked if the property owner does not comply with other ordinances of the city which regulate property maintenance and nuisances;
- Approval for an accessory unit runs with property owners, not the property. When ownership changes, the ADU must be removed or the new owner must reapply.

Additional constraints that may serve to limit the establishment of ADUs include density limits, parking requirements, lot size requirements, and limits on the size of the ADU.

Boulder's accessory dwelling unit ordinance has been in place for 30 years. Proposed amendments over the years have consistently focused on the issues of concentration, parking, size, and occupancy. If the city is interested in encouraging the creation of more accessory dwelling units, some of the current barriers in the regulations may merit reconsideration.

How many units in Boulder?

At the time of the Accessory Dwelling Unit Study (December 2012) prepared by the Community Planning and Sustainability staff, in Boulder there were:

186	Accessory Dwelling Units
42	Owner Accessory Units
1	Limited Accessory Unit

OUTCOMES

Who benefits directly or indirectly?

Currently, beneficiaries of ADUs include owners who receive a supplemental income from their ADU, relatives of the homeowner including aging parents, service workers and others with low to moderate incomes, and aging homeowners who can house caregivers in exchange for care services.

A December 2012 survey by the National Research Center, Inc. found that 75 percent of homeowners in Boulder rented their ADUs to paying tenants (an additional 4 percent lived in the ADU and rented the main house) and 5 percent of ADUs were occupied by relatives. The occupations of ADU dwellers included professionals (41 percent), students (20 percent), service workers (17 percent), retirees (10 percent) and the balance were "other". Based on homeowner estimates, half (51 percent) of ADU tenant households earned less than \$40,000 annually.

What is the estimated impact of using this tool?

Moderate. Ultimately this tool relies on private homeowners' desire to have an accessory unit. There are, however, a number of constraints on ADUs that, if lifted would likely enable more homeowners to establish ADUs.

What kind of housing would result?

This type of housing is a market-rate option that can provide an affordable housing option as well as offset housing costs for the homeowner. Accessory units can house young professionals, service workers, students and seniors. ADUs can also support older homeowners wishing to age in place by serving as a source of supplemental income, housing a caregiver or housing a tenant who can offer assistance with home maintenance and upkeep.

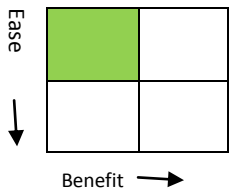
Option 1: Increase or eliminate the 10 percent saturation requirement.

Option Description

This option would require a city ordinance update that would increase or eliminate the 10 percent saturation requirement.

This provision is unique among ADU ordinances across the nation. Considering the relatively low number of applicants currently on the waiting list, it may be worth discussing whether certain zone districts should allow higher saturation rates or the 10 percent saturation requirement should be eliminated entirely.

Impact Matrix

Option:	Increase or remove the 10% saturation requirement.
City's History with the Tool:	ADUs have been allowed in Boulder for 30 years.
Where applied?	In zoning districts where ADUs, OAU's and LAUs respectively are already allowed.
Potential Timing:	Five months
Legal Issues:	Minor, but will require CAO involvement because it would be a code update.
Staff Time/Resources Required:	Moderate (Staff time needed to research and update code)
Change to Current Policy:	Low-Moderate
Scale of Impact:	Small
Overall:	 <p>The diagram is a 2x2 matrix. The vertical axis is labeled 'Ease' with a downward arrow, and the horizontal axis is labeled 'Benefit' with a rightward arrow. The top-left cell is shaded green, while the top-right, bottom-left, and bottom-right cells are white.</p>

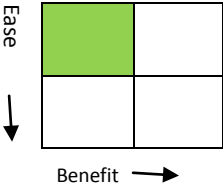
Option 2: Eliminate the parking requirement for ADUs.

Option Description

This option would require a city ordinance update that would eliminate the parking requirement for ADUs.

Parking has been cited as one of the primary obstacles to creating a legal accessory unit. Currently, ADUs and OAU require one additional off-street parking unit beyond what is required for the principal dwelling unit and LAUs must have three off-street parking spaces. Parking is a common concern among neighbors, but providing an off-street parking space has proven to be a significant barrier and the occupancy limits for unrelated people are the same for a home with or without an ADU/OAU. Eliminating the parking requirements for accessory units may increase the number of these units.

Impact Matrix

Option:	Eliminate parking requirements for ADUs, OAUs and LAUs.
City's History with the Tool:	ADUs have been an allowed use in Boulder since 1982. Over the years, parking requirements have been cited as a barrier to the creation of new ADUs.
Where applied?	In zoning districts where ADUs, OAUs and LAUs respectively are already allowed.
Potential Timing:	Five months
Legal Issues:	Minor, but will require CAO involvement because it would be a code update.
Staff Time/Resources Required:	Moderate (Staff time needed to research and update code)
Change to Current Policy:	Low-Moderate
Scale of Impact:	Medium
Overall:	

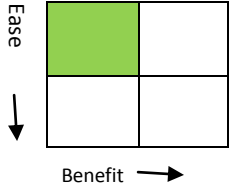
Option 3: Eliminate the public notice requirement for ADUs.

Option Description

This option would require a city ordinance update that would eliminate the public notice requirement for ADUs.

Subsection 9-6-3(a) of the land use code requires adjacent property owners to be notified of the application by mail. This requirement for notice creates expectations with neighbors that the ADU/OAU review process is discretionary when it is not; ADU/OAUs are allowed by right. Furthermore, the public notice requirement may dissuade homeowners from pursuing ADUs or introduce unwarranted complications into the process, reducing the potential of accessory units as a housing choice in Boulder.

Impact Matrix

Option:	Eliminate public notice requirements for accessory units.
City's History with the Tool:	ADUs have been an allowed use in Boulder since 1982 years.
Where applied?	Citywide
Potential Timing:	Five months
Legal Issues:	Moderate (will require some CAO involvement because it would be a code update.)
Staff Time/Resources Required:	Minor, but will require CAO involvement because it would be a code update.
Change to Current Policy:	Low-Moderate
Scale of Impact:	Low
Overall:	 <p>The diagram is a 2x2 matrix. The vertical axis is labeled 'Ease' with a downward arrow, indicating that ease increases from bottom to top. The horizontal axis is labeled 'Benefit' with a rightward arrow, indicating that benefit increases from left to right. The top-left quadrant (High Ease, Low Benefit) is shaded green.</p>

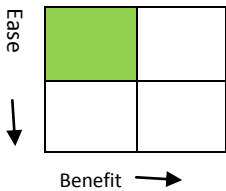
Option 4: Adjust the size requirements for ADUs.

Option Description

Currently, ADUs are required to be *“the lesser of 1/3 of the size of the principal dwelling unit or 1,000 square feet”*. This regulation limits the options of people with smaller homes with regards to ADUs. For many people with smaller homes, it may not be possible to create an ADU using only 1/3 of their floor area.

This restriction can also make basement conversions difficult in cases where the basement space accounts for half of the house’s square footage. To meet the size restriction, a small portion of the basement may need to be excluded from the ADU conversion. In Portland, Oregon, the maximum size of an ADU may not exceed 75% of the living area of the house or 800 square feet, whichever is less. The overall size is smaller than what is allowed in Boulder; however it may allow for more flexibility within the existing structure. It may be worth considering changes to the current restriction to maintain the 1,000 square foot restriction but allow for increased flexibility within the existing structure.

Impact Matrix

Option:	Increase the size limit on ADUs to “the lesser of 75% of the size of the principal dwelling unit or 1,000 square feet”.
City’s History with the Tool:	ADUs have been in Boulder for 30 years.
Where applied?	In zoning districts where ADUs and OAU are already allowed.
Potential Timing:	Five months
Legal Issues:	Minor, but will require CAO involvement because it would be a code update.
Staff Time/Resources Required:	Moderate (Staff time needed to research and update code)
Change to Current Policy:	Low-Moderate
Scale of Impact:	Medium
Overall:	

Tool 8: Encourage Cooperative Housing

Description

Cooperative housing is a form of rental or ownership housing where unrelated individuals live in one or more residential buildings owned by a membership-based corporation. The existing Cooperative Housing Ordinance is limited to ownership coops and has yet to produce any cooperative housing. Three affordable rental housing coops have been established on lots with nonconforming densities, an indirect approach to producing coop housing. This tool proposes changes to the Cooperative Housing Ordinance that would make it a functional avenue for developing cooperative housing, as well as modifications to parking and open space requirements and occupancy limits to allow more opportunities for rental cooperative housing in Boulder.

Background

When the 1999 Toolkit of Housing Options was written, Cooperative Housing had been defined for about two years in the Boulder Revised Code (B.R.C. 1981 section 9--6--3(b)) as a conditional land use, yet no cooperative housing had been generated through that section of the code. Fifteen years later this continues to be true. One organization, the Boulder Housing Coalition (BHC), an affordable housing nonprofit, has established three affordable rental housing cooperatives in Boulder; however all were established on nonconforming lots and through an administrative review process. The BHC reports that while there is significant demand for cooperative housing, they have been slow to meet the demand as a result of the challenges of finding properties with the necessary grandfathered nonconforming density that is conducive to establishing new cooperative housing. Challenges to establishing new housing cooperatives under B.R.C. 1981 section 9--6--3(b) include: considered a conditional use, applies only to equity cooperatives (residents own shares of the property they occupy), caps the number of residents at six (while a household needs about ten members to function well), requires all members of the household to maintain an unlimited use transit pass, and requires off-street parking and floor space per inhabitant. Though cooperative housing is a cost effective housing option in keeping with the city's sustainability goals and the desire to expand housing choice and affordability, the existing cooperative ordinance has never produced housing and any entity wishing to establish cooperative housing must overcome significant hurdles.

How many units currently?

Masala (Boulder Housing Coalition)	10 Rooming Units
Chrysalis (Boulder Housing Coalition)	11 Rooming Units
North Haven (Boulder Housing Coalition)	22 Rooming Units

OUTCOMES

Who benefits directly or indirectly?

Many types of people could benefit including the low income, seniors, families, special needs individuals, low wage service workers, entry level professionals, students and renters.

What is the estimated impact of using this tool?

Moderate. One organization that has previously struggled to establish cooperative housing in Boulder could create more affordable cooperative opportunities with greater ease. Other affordable housing providers could, with fewer constraints, develop cooperative housing and perhaps market-rate cooperatives could move forward as well. This tool would create more housing choice and affordable housing for those willing to share living space and contribute to consensus-based governance.

What kind of housing would result?

The basis of cooperative housing is shared governance. To date in Boulder, cooperative housing has been established in rehabbed housing – two older, large former single-family homes and an older apartment building. In these housing coops, income-qualified renters have private bedrooms and share common amenities such as kitchens, living rooms and bathrooms. Two separate family apartments are part of one existing housing cooperative. Existing cooperative housing in Boulder is energy-efficient, affordable, and a relatively efficient use of land in the community. Design does not define cooperative housing and cooperative housing could exist in a variety of innovative rehabbed or new-built housing types. Additionally, while the existing cooperative housing is income restricted, coops could be established without income requirements.

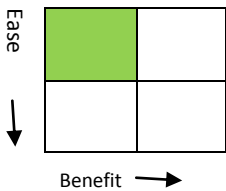
Option 1: Rewrite the Cooperative Housing Unit conditional land use to be easily usable.

Option Description

This option would require a city ordinance update that would address some or all of the objections to B.R.C 1981 Section 9-6-3(b) Cooperative Housing Units conditional land use cited by cooperative housing advocates, including:

- B.R.C 1981 Section 9-6-3(b) is designed to work with the shared equity or ownership model of cooperative and not rental cooperatives.
- B.R.C 1981 Section 9-6-3(b) limits occupancy to six whereas cooperative housing typically needs ten or more occupants to function and be an affordable and financially viable option for resident or for an affordable housing cooperative.
- Residents are required to be EcoPass holders, yet, in the experience of the Boulder Housing Coalition, the cost is burdensome on its low-income residents and on the organization.
- B.R.C 1981 Section 9-6-3(b) off-street parking and floor space per inhabitant requirements make it difficult to identify appropriate existing residential properties.

Impact Matrix

Option:	Rewrite the Cooperative Housing Unit conditional land use to facilitate the creation of cooperative housing.
City's History with the Tool:	B.R.C. 1981 Section 9-6-3(b) has been in place since 1997 and has not produced cooperative housing in Boulder.
Where applied?	Citywide or only for nonprofit-sponsored projects.
Potential Timing:	Five months
Legal Issues:	Moderate (will require CAO involvement.)
Staff Time/Resources Required:	Moderate (Staff time needed to research and update code)
Change to Current Policy:	Low-Moderate
Scale of Impact:	Medium
Overall:	 <p>The diagram shows a 2x2 matrix. The vertical axis is labeled 'Ease' with a downward arrow, and the horizontal axis is labeled 'Benefit' with a rightward arrow. The top-left quadrant is shaded green, representing a high score for both ease and benefit.</p>

Tool 25: Participate in Regional Solutions

Description

The availability of affordable housing has become an increasing concern throughout the county and the region. A regional approach to meeting affordable housing needs may be required. With more and more workers commuting farther between home and work, increased traffic and the resulting greenhouse gas emissions and congestion have become a greater concern. This tool includes initiating a regional countywide dialogue on affordable housing and the associated regional transportation solutions.

Background

In 2014, residents of Boulder and in-commuters were given the opportunity to respond to a *Housing Choice Survey*. Over 3,000 people participated. While the survey found that there are many who would choose to live in Boulder given the right opportunity, not everyone who works in Boulder wants to live in Boulder. Additionally, though there are significant opportunities to expand Boulder's housing stock, Boulder will not be able to house its whole workforce. We have become more interdependent with the region. And at the same time that Boulder faces its own growth constraints, nearby communities face unique and dynamic housing opportunities and challenges as well. To promote regional housing solutions and reduce the negative

consequences of a large in-commuting workforce (e.g., increased greenhouse gas emissions, large transportation cost burdens, and traffic congestion), this tool emphasizes engaging in meaningful regional dialogue.

OUTCOMES

Who benefits directly or indirectly?

Potential beneficiaries of a regional approach to housing and transportation would include the workforce, those who rely on transit, vulnerable populations, low to middle income households, employers, our environment and future generations.

What is the estimated impact of using this tool?

Unknown. The potential of this tool is entirely dependent on the ability to incite and/or contribute to bold efforts to cooperate regionally.

What kind of housing would result?

A regional dialogue around housing could produce a better match between housing and the workforce and ensure that communities throughout the region preserve and pursue affordable housing for their residents.

Option One: Engage in a regional housing discussion.

Option Description

This option would require City of Boulder staff and other city leaders to prioritize regional housing as a work item, to assign resources to this effort, to engage in regional dialogue with a solutions mindset, and to catalyze meaningful discussion with public and private entities in the county and in the broader region.

Impact Matrix

Option:	Commit staff time to engage in regional efforts such as the Sustainable Cities Initiative and identify and create opportunities to dialogue with other regional partners about regional housing.
City's History with the Tool:	The city has an ongoing relationships with a number of communities through the HOME Consortium, RTD, DRCOG, and even the recent flood event. Despite years of interest, a <i>dedicated</i> on-going regional housing dialogue would be a new undertaking.
Where applied?	Region-wide; Boulder County and beyond.
Potential Timing:	Years; Ongoing
Legal Issues:	No obvious legal issues.
Staff Time/Resources Required:	High (Staff and leadership time to participate in and inspire regional dialogue and activities)
Change to Current Policy:	Low
Scale of Impact:	Dependent on ability to find workable regional solutions and regional partners; potentially large or small
Overall:	Ongoing dedicated effort; unknown potential